

Village of Tangipahoa

Annual Financial Statements

As of and for the Year Then Ended June 30, 2009

With Supplemental Information Schedules

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/10/10

William R. Durden

*Certified Public Accountant
Limited Liability Company*

820 11th Avenue

FRANKLINTON, LOUISIANA 70438

**Village of Tangipahoa, Louisiana
Annual Financial Report
As of June 30, 2009 and for the Year Then Ended
With Supplemental Information Schedules**

TABLE OF CONTENTS

	Statement	Page
Financial Section:		
Accountant's- Audit Report		1-2
Required Supplemental Information (Part I):		
Management's Discussion and Analysis		3-11
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Assets	A	12
Statement of Activities	B	13
Fund Financial Statements:		
Governmental Fund Financial Statements:		
Balance Sheet	C	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	15
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	E	16
Reconciliation of the Change in Fund Balances of Governmental Funds to the Statement of Activities	F	17
Proprietary Fund Financial Statements:		
Statement of Net Assets.....	G	18
Statement of Revenues, Expenses and Changes in Net Assets.....	H	19
Statement of Cash Flows	I	20-21
Notes to the Financial Statements		22-35

Village of Tangipahoa, Louisiana
Annual Financial Statements
As of June 30, 2009 and for the Year Then Ended
With Supplemental Information Schedules

TABLE OF CONTENTS

	Schedule	Page
Required Supplemental Information (Part II):		
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual General Fund	1	36-38
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual Special Revenue Fund - Sales Tax Fund	2	39
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual Special Revenue Fund - Summer Food Program	3	40
Schedule of Federal Awards	4	41
Schedule of Findings and Questioned Costs.....	5	42-43
Other Supplemental Information:		
Proprietary Funds:		
Comparative Schedule of Net Assets.....	6	44
Comparative Schedule of Revenues, Expenses, and Changes in Net Assets	7	45
Comparative Schedule of Cash Flows	8	46-47
Schedule of Revenues, Expenses, and Changes in Net Assets Budget (GAAP Basis) and Actual – Gas Utility System	9	48
Schedule of Revenues, Expenses, and Changes in Net Assets Budget (GAAP Basis) and Actual – Water Utility System	10	49
Schedule of Revenues, Expenses, and Changes in Net Assets Budget (GAAP Basis) and Actual – Sewer Utility System	11	50
Comparative Schedule of Gas Sales and Purchases	12	51
Utility Rate Schedule	13	52
Schedule of Compensation Paid Elected Officials.....	14	53

**Village of Tangipahoa, Louisiana
Annual Financial Statements
As of June 30, 2009 and for the Year Then Ended
With Supplemental Information Schedules**

TABLE OF CONTENTS

	Schedule	Page
Report On Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards		54-55
Schedule of Prior Findings		56
Schedule of Current Findings and Management's Corrective Action Plan		57

WILLIAM R. DURDEN

Certified Public Accountant

820 11TH AVENUE
FRANKLINTON, LOUISIANA 70438
(985)830-4413
FAX (985)830-4402

MEMBER
A.I.C.P.A.

MEMBER
L.C.P.A.

The Honorable Mayor Michael Jackson
and Members of the Board of Aldermen
Village of Tangipahoa, Louisiana

I have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Tangipahoa, Louisiana, as of June 30, 2009, and for the year then ended, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Tangipahoa's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements and supplemental information referred to in the above paragraphs, present fairly, in all material respects, the financial position of the governmental activities, business-type activities, and each major fund, of the Village of Tangipahoa, Louisiana, as of June 30, 2009, and the respective changes in financial position and cash flows of its proprietary fund types, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated January 19, 2010, on my consideration of the Village of Tangipahoa, Louisiana's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

WILLIAM R. DURDEN

Certified Public Accountant

820 11TH AVENUE
FRANKLINTON, LOUISIANA 70438
(985)839-4413
FAX (985)839-4402

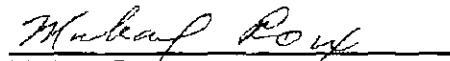
MEMBER
A.I.C.P.A.

MEMBER
L.C.P.A.

Page 2

Management's Discussion and Analysis on pages 7-15, and the other required supplemental information on pages 44-62, are not a required part of these basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted primarily of inquires of management regarding the methods of measurement and presentation of the supplemental information. However, I did not audit the information and express no opinion on it.

The audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Tangipahoa, Louisiana as June 30, 2009 basic financial statements. The accompany schedule of expenditures of federal awards is presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not required part of the basic financial statements of the Village of Tangipahoa, Louisiana as of June 30, 2009. The major fund financial statements and the schedule of expenditures of federal awards have been subjected to auditing procedures applied in the audit of the basic financial statements and in my opinion , are fairly stated in all material respects in relation to the basic financial statements taken as whole.



Michael Roux
Certified Public Accountant

January 19, 2010

Required Supplemental Information (Part I)
Management's Discussion and Analysis

Village of Tangipahoa
Management's Discussion and Analysis
As of and for the Year Ended June 30, 2009

Introduction

The Village of Tangipahoa (the Village) is pleased to present its Annual Financial Statements developed in compliance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments* (GASB 34), and related standards.

The Village's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Village's financial activity, (c) identify changes in the Village's financial position, (d) identify any significant variations from the Village's financial plan, and (e) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Village's financial statements on pages 18 through 28 of this report.

Financial Highlights

- At June 30, 2009, the Village's assets exceeded its liabilities by \$2,049,285 (net assets). Of this amount, \$151,242 (unrestricted net assets) may be used to meet the Village's ongoing obligations to its citizens.
- For the year ended June 30, 2009, the Village's total net assets increased by \$488,329, primarily due to capital asset activity for an on-going water system project.
- At June 30, 2009, the Village's governmental funds reported combined ending negative fund balances of \$2,238, primarily because of the amount not accrued for construction costs for the capital projects fund, as noted in Footnote "16 - Contingencies". Within the Sales Tax Fund, a total of \$36,259 is restricted for sewer, garbage, and streets and drainage expenditures.
- At June 30, 2009, the Village's proprietary funds reported combined ending net assets of \$1,421,884, an increase of \$2,589 for the year. Of this amount, approximately 11%, or \$153,480, is available for spending at the Village's discretion (unrestricted net assets).

Overview of the Annual Financial Report

The financial statement focus is on both the Village as a whole and on the major individual funds. Both perspectives, government-wide and major funds, allow the user to address relevant questions, broaden a basis for comparison, and enhance the Village's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The MD&A is intended to serve as an introduction to the Village's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Village of Tangipahoa

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances in a manner similar to a private-sector business. Governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for support are presented in separate columns along with a total column for the primary government. If the Village determines that presentation of a component unit (which are other governmental units for which the Village can exercise significant influences or for which the Primary Government financial statements would be misleading if component unit information is not presented) is necessary to allow the reader to determine the relationship of the component unit and primary government, the component unit information is presented in a separate column of the financial statements or in a separate footnote. For the current fiscal year, the Village of Tangipahoa has no component units.

The Statement of Net Assets presents information on the Village's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net assets. Over time, the increases or decreases in net assets and changes in the components of net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the Village's net assets changed during the most recent fiscal year, focusing on both the gross and net costs of various activities, both governmental and business-type, that are supported by the Village's general tax and other revenues. This is intended to summarize and simplify the reader's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

In both of the government-wide financial statements, the Village's activities are divided into two types:

Governmental activities - Most of the Village's basic services are reported here, including general government, public safety, streets and sanitation, health and welfare, and culture and recreation. These activities are financed primarily by property taxes, franchise taxes, sales taxes, and fines.

Business-type activities - The Village charges a fee to customers to help it cover all of the cost of the services provided. The Village's water, natural gas, and sewer utility systems are reported in this section.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Village uses two categories of funds to account for financial transactions: governmental funds and proprietary funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Village of Tangipahoa

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

Governmental funds are used to account for most of the Village's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs.

Proprietary funds account for water, natural gas, and sewer utility services provided by the Village to its customers. Proprietary funds statements provide the same type of information as the government-wide financial statements, but the fund presentation provides more detail.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for government funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Village's more immediate decisions on the current use of financial resources. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Village of Tangipahoa

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Village's net assets for the current year as compared to the prior year. For more detailed information, see the Statement of Net Assets in this report.

Net Assets 2009 and 2008

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Assets:						
Current and Other Assets	\$ 91,488	\$ 107,845	\$ 190,760	\$ 151,184	\$ 282,248	\$ 259,029
Capital Assets	629,639	92,180	1,267,437	1,321,994	1,897,076	1,414,174
Total Assets	721,127	200,025	1,458,197	1,473,178	2,179,324	1,673,203
Liabilities:						
Current Liabilities	93,726	58,364	36,313	53,883	130,039	112,247
Total Liabilities	93,726	58,364	36,313	53,883	130,039	112,247
Net Assets:						
Invested in Capital Assets, Net of Related Debt	629,639	92,180	1,267,437	1,321,994	1,897,076	1,414,174
Restricted	-	-	967	4,851	967	4,851
Unrestricted	(2,238)	49,481	153,480	92,450	151,242	141,931
Total Net Assets	\$ 627,401	\$ 141,661	\$ 1,421,884	\$ 1,419,295	\$ 2,049,285	\$ 1,560,956

Approximately 93% of the Village's net assets reflects its investment in capital assets (land, buildings, equipment, infrastructure, and improvements) net of any outstanding related debt used to acquire those capital assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending.

Less than one percent of the Village's net assets represent resources that are subject to external restriction on how they may be used. The Village's restricted net assets consist of cash reserves required by revenue bond agreements and cash for customer deposits net of corresponding liabilities.

Approximately 7% of the Village's net assets are unrestricted and may be used to meet the Village's ongoing obligations to its citizens.

At the end of the current fiscal year, the Village was able to report positive balances in all three categories of net assets for governmental and business-type activities, except for net assets related to the Capital Projects Fund – see Footnote “16 – Contingencies”. Overall net assets increased by \$488,329.

Village of Tangipahoa

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

In order to further understand what makes up the changes in net assets, the following table provides a summary of the results of the Village's activities for the current year as compared to the prior year. An analysis of the primary sources of these changes follows the table.

Changes in Net Assets For the years ended June 30, 2009 and 2008

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program Revenues:						
Charges for Services	\$ 51,419	\$ 41,625	\$ 203,504	\$ 181,997	\$ 254,923	\$ 223,622
Operating Grants and Contributions	33,746	46,876	38,000	9,000	71,746	55,876
Capital Grants and Contributions	493,364	57,090	-	-	493,364	57,090
General Revenues:						
Property Taxes	12,497	9,974	-	-	12,497	9,974
Sales Taxes	62,559	58,018	-	-	62,559	58,018
Franchise Taxes	10,067	10,235	-	-	10,067	10,235
Intergovernmental	4,289	19,846	19,851	-	24,140	19,846
Interest Income	375	1,174	370	1,317	745	2,491
Miscellaneous	827	2,186	214	1,927	1,041	4,113
Gain on Sale of Assets	-	-	-	893	-	893
Total Revenues	669,143	247,024	261,939	195,134	931,082	442,158
Expenses:						
General Government	40,682	40,969	-	-	40,682	40,969
Public Safety	65,906	65,265	-	-	65,906	65,265
Public Works	22,115	21,052	-	-	22,115	21,052
Sanitation	38,536	31,444	-	-	38,536	31,444
Health and Welfare	108	17,016	-	-	108	17,016
Water, Gas, and Sewer Utility	-	-	275,406	293,210	275,406	293,210
Total Expenses	167,347	175,746	275,406	293,210	442,753	468,956
Change in Net Assets Before Transfers	501,796	71,278	(13,467)	(98,076)	488,329	(26,798)
Transfers (Out) In	(16,056)	(11,875)	16,056	11,875	-	-
Change in Net Assets	485,740	59,403	2,589	(86,201)	488,329	(26,798)
Net Assets, Beginning	141,661	82,258	1,419,295	1,505,496	1,560,956	1,587,754
Net Assets, Ending	\$ 627,401	\$ 141,661	\$ 1,421,884	\$ 1,419,295	\$ 2,049,285	\$ 1,560,956

Village of Tangipahoa

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

Governmental Activities

The Village's governmental net assets increased by \$485,740 compared to the prior year ending net assets, to \$627,401. The most notable changes included a Louisiana Community Block Grant project, recording construction costs related to utility improvements totalling \$544,825 for the fiscal year ending June 30, 2009, net of the effect of \$51,751 in funds not yet transferred into the Capital Projects Fund for project completion. Licenses under charges for services included in the general fund increased by approximately \$9,000. Operating expenses decreased by five percent, which is a similar decrease to the prior year, totaling around \$8,400.

Business-Type Activities

The Village's business-type net assets increased by \$2,589, or less than one percent of the prior year ending net assets, to \$1,421,884. Total operating revenues, before the deduction for cost of gas sold, increased 36 percent or \$68,645, primarily because of a rate increase approved by the Village to cover continuing losses in the utility fund. Net Assets had a small increase in part due to operating grants and a six percent reduction in operating expenses after gradual increases in expenses in previous years. The change in net assets is best summarized in *Statement H* which provides more detail of operating expenses. The Sewer Department showed the largest operating loss at \$44,398, which is better than the \$93,655 loss from the prior year. The Gas Department incurred an operating loss of \$3,603, which is better than the \$23,087 in the prior year.

Village of Tangipahoa

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

Fund Financial Analysis

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Village's net resources available for spending at the end of the year.

At the end of the current year, the Village's governmental funds reported a combined ending negative fund balances of \$2,238, primarily because of the amount not accrued for construction costs for the capital projects fund, as noted in Footnote "16 – Contingencies". Within the Sales Tax Fund, a total of \$36,259 is restricted for sewer, garbage, and streets and drainage expenditures.

The general fund is the chief operating fund of the Village. At the end of the current year, the total fund balance for the general fund was \$13,204 all of which was unreserved. This represents a moderate increase in unreserved fund balance, leaving a minimal general fund balance.

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Village of Tangipahoa

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

General Fund Budgetary Highlights

The Village of Tangipahoa is required to demonstrate legal compliance by adopting and amending its budget in accordance with provisions of the Local Government Budget Act. State law requires that actual revenues and other sources not be less than 5% of budgeted revenues and other sources, and actual expenditures and other uses not be greater than 5% of budgeted expenditures and other uses.

There were no significant variations from the general fund's original and final amended budgets for the current fiscal year.

Capital Assets and Debt Administration

Capital Assets

The Village's investment in capital assets for its governmental and business-type activities as of June 30, 2009 amounts to \$1,897,076 (net of depreciation). The total increase in the Village's investment in capital assets for the current fiscal year was \$482,902 (net of depreciation), primarily from the LCDBG project in construction in progress.

The following table provides a summary of the Village's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information, see Note 9 to the financial statements in this report.

Capital Assets (Net of Depreciation) 2009 and 2008

Capital Assets	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 400	\$ 400	\$ -	\$ -	\$ 400	\$ 400
Construction in Progress	599,805	54,690	-	-	599,805	54,690
Buildings and Improvements	9,989	8,400	10,046	10,046	20,035	18,446
Furniture and Fixtures	1,246	1,246	-	-	1,246	1,246
Vehicles	55,446	55,446	-	-	55,446	55,446
Equipment	54,951	53,651	70,984	70,984	125,935	124,635
Water Utility System	-	-	45,115	45,115	45,115	45,115
Gas Utility System	-	-	459,441	454,667	459,441	454,667
Sewer Utility System	-	-	1,707,723	1,707,723	1,707,723	1,707,723
Subtotal Capital Assets	721,837	173,833	2,293,309	2,288,535	3,015,146	2,462,368
Less: Accumulated Depreciation	(92,198)	(81,653)	(1,025,872)	(966,541)	(1,118,070)	(1,048,194)
Capital Assets, Net	\$ 629,639	\$ 92,180	\$ 1,267,437	\$ 1,321,994	\$ 1,897,076	\$ 1,414,174

Village of Tangipahoa

Management's Discussion and Analysis As of and for the Year Ended June 30, 2009

Other Factors Affecting the Village

The Village of Tangipahoa's management approach is conservative. When possible, the Mayor and Aldermen attempt to provide services for the Village based on existing revenues and to finance long-term projects only when absolutely necessary. The Village also attempts to keep utility rates at the minimum required to cover the costs of utility system operation. At fiscal year end, a project was in progress to construct a new water tank and system improvements to provide necessary services for the Village. Total construction cost is estimated at \$607,841, with a total of \$599,805 in improvements constructed at fiscal year end. Of the total of \$607,841 in project cost, a total of \$553,700 in funding is provided by a Louisiana Community Development Block Grant (LCDBG), with \$54,141 in improvements to be funded by the Village from other sources. At fiscal year end, final closing of this project and final payment of the \$54,141 by the Village has been delayed pending final inspections on the water well and acceptance by the Village.

Contacting the Village's Financial Management

This financial report is designed to provide the Village's citizens, taxpayers, creditors and investors with a general overview of the Village's finances and show the Village's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to the Village of Tangipahoa at Post Office Box 156, Tangipahoa, Louisiana 70465, telephone (985) 229-8300.

Basic Financial Statements
Government-Wide Financial Statements

Statement A

Village of Tangipahoa
Statement of Net Assets
As of June 30, 2009

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
Assets			
Current Assets:			
Cash and Cash Equivalents	\$ 49,796	\$ 120,829	\$ 170,625
Receivables, Net:			
Intergovernmental	34,863	-	34,863
Accounts	1,982	31,513	33,495
Other	1,553	-	1,553
Due From Other Funds	-	4,106	4,106
Inventory	-	366	366
Prepaid Insurance	3,294	5,834	9,128
Total Current Assets	<u>91,488</u>	<u>162,648</u>	<u>254,136</u>
Restricted Assets:			
Restricted Cash and Cash Equivalents	-	28,112	28,112
Total Restricted Assets	<u>-</u>	<u>28,112</u>	<u>28,112</u>
Capital Assets:			
Land	400	-	400
Construction in Progress	599,805	-	599,805
Capital Assets, Net	<u>29,434</u>	<u>1,267,437</u>	<u>1,296,871</u>
Total Capital Assets	<u>629,639</u>	<u>1,267,437</u>	<u>1,897,076</u>
Total Assets	<u>721,127</u>	<u>1,458,197</u>	<u>2,179,324</u>
Liabilities			
Current Liabilities:			
Accounts Payable	35,171	8,910	44,081
Other Accrued Payables	2,698	258	2,956
Due To Other Funds	4,106	-	4,106
Customer Deposits	-	27,145	27,145
Retainage Payable	51,751	-	51,751
Total Current Liabilities	<u>93,726</u>	<u>36,313</u>	<u>130,039</u>
Total Liabilities	<u>93,726</u>	<u>36,313</u>	<u>130,039</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	629,639	1,267,437	1,897,076
Restricted for:			
Customer Deposits	-	967	967
Unrestricted	(2,238)	153,480	151,242
Total Net Assets	<u>\$ 627,401</u>	<u>\$ 1,421,884</u>	<u>\$ 2,049,285</u>

See accompanying notes and accountant's report.12

Village of Tangipahoa
Statement of Activities
For the year ended June 30, 2009

	Program Revenues					Net (Expenses) Revenues and Changes of Primary Government		
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Net (Expenses) Revenues	Governmental Activities	Business- Type Activities	Total
Governmental Activities								
General Government	\$ 40,682	\$ 42,852	\$ 1,500	\$ -	\$ 3,670	\$ 3,670	\$ -	\$ 3,670
Public Safety	65,906	8,567	32,246	-	(25,093)	(25,093)	-	(25,093)
Public Works	22,115	-	-	493,364	471,249	471,249	-	471,249
Sanitation	38,536	-	-	-	(38,536)	(38,536)	-	(38,536)
Health and Welfare	108	-	-	-	(108)	(108)	-	(108)
Total Governmental Activities	<u>167,347</u>	<u>51,419</u>	<u>33,746</u>	<u>493,364</u>	<u>411,182</u>	<u>411,182</u>	<u>-</u>	<u>411,182</u>
Business-type Activities								
Gas	74,430	70,268	-	-	(4,162)	-	(4,162)	(4,162)
Water	79,888	95,969	-	-	16,081	-	16,081	16,081
Sewer	121,088	37,267	38,000	-	(45,821)	-	(45,821)	(45,821)
Total Business-type Activities	<u>275,406</u>	<u>203,504</u>	<u>38,000</u>	<u>-</u>	<u>(33,902)</u>	<u>-</u>	<u>(33,902)</u>	<u>(33,902)</u>
Total	<u>\$ 442,753</u>	<u>\$ 254,923</u>	<u>\$ 71,746</u>	<u>\$ 493,364</u>	<u>\$ 377,280</u>			
General Revenues:								
Taxes:								
Property Taxes						12,497	-	12,497
Sales Taxes						62,559	-	62,559
Franchise Taxes						10,067	-	10,067
Intergovernmental						4,289	19,851	24,140
Interest Income						375	370	745
Miscellaneous						827	214	1,041
Operating Transfers In (Out)						(16,056)	16,056	-
Gain on Sale of Assets						-	-	-
Total General Revenues and Transfers						<u>74,558</u>	<u>36,491</u>	<u>111,049</u>
Change in Net Assets						<u>485,740</u>	<u>2,589</u>	<u>488,329</u>
Net Assets - Beginning						<u>141,661</u>	<u>1,419,295</u>	<u>1,560,956</u>
Net Assets - Ending						<u>\$ 627,401</u>	<u>\$ 1,421,884</u>	<u>\$ 2,049,285</u>

See accompanying notes and accountant's report.

Basic Financial Statements
Fund Financial Statements

Statement C

Village of Tangipahoa
Balance Sheet, Governmental Funds
As of June 30, 2009

	<u>General Fund</u>	<u>Sales Tax Fund</u>	<u>Summer Feeding Fund</u>	<u>Capital Projects Fund (LCDBG)</u>	<u>Total Governmental Funds</u>
Assets					
Cash and Equivalents	\$ 16,071	\$ 33,675	\$ -	\$ 50	\$ 49,796
Receivables, Net:					
Intergovernmental	1,170	2,584	-	31,109	34,863
Accounts	1,982	-	-	-	1,982
Franchise Taxes	1,553	-	-	-	1,553
Due From Other Funds	-	-	-	-	-
Prepaid Insurance	3,294	-	-	-	3,294
Total Assets	<u>\$ 24,070</u>	<u>\$ 36,259</u>	<u>\$ -</u>	<u>\$ 31,159</u>	<u>\$ 91,488</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable	\$ 4,062	\$ -	\$ -	\$ 31,109	\$ 35,171
Retainage Payable	-	-	-	51,751	51,751
Other Accrued Liabilities	2,698	-	-	-	2,698
Due to Other Funds	4,106	-	-	-	4,106
Total Liabilities	<u>10,866</u>	<u>-</u>	<u>-</u>	<u>82,860</u>	<u>93,726</u>
Fund Balances:					
Unreserved Fund Balances	13,204	-	-	(51,701)	(38,497)
Reserved Fund Balances	-	36,259	-	-	36,259
Total Fund Balances	<u>13,204</u>	<u>36,259</u>	<u>-</u>	<u>(51,701)</u>	<u>(2,238)</u>
Total Liabilities and Fund Balances	<u>\$ 24,070</u>	<u>\$ 36,259</u>	<u>\$ -</u>	<u>\$ 31,159</u>	<u>\$ 91,488</u>

See accompanying notes and accountant's report.

Statement D

**Village of Tangipahoa
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Financial Statement of Net Assets
As of June 30, 2009**

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund Balances, Total Governmental Funds (Statement C)	\$	(2,238)
--	-----------	----------------

Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.

Governmental capital assets net of depreciation	629,639
---	---------

Net Assets of Governmental Activities (Statement A)	\$	<u>627,401</u>
--	-----------	-----------------------

See accompanying notes and accountant's report.

Statement E

Village of Tangipahoa
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the year ended June 30, 2009

	<u>General Fund</u>	<u>Sales Tax Fund</u>	<u>Summer Feeding Fund</u>	<u>Capital Projects Fund (LCDBG)</u>	<u>Total Governmental Funds</u>
Revenues					
Taxes	\$ 22,564	\$ 62,559	\$ -	\$ -	\$ 85,123
Licenses and Permits	42,852	-	-	-	42,852
Intergovernmental	4,289	-	-	-	4,289
Charges for Services	32,246	-	-	-	32,246
Fines and Forfeitures	8,567	-	-	-	8,567
Grants	-	-	-	493,364	493,364
Interest	-	375	-	-	375
Miscellaneous	2,327	-	-	-	2,327
Total Revenues	<u>112,845</u>	<u>62,934</u>	<u>-</u>	<u>493,364</u>	<u>669,143</u>
Expenditures					
General Government	39,577	-	-	-	39,577
Public Safety:					
Police	57,637	-	-	-	57,637
Fire	-	-	-	-	-
Public Works	59,480	-	-	-	59,480
Sanitation	-	126	-	-	126
Health and Welfare	-	-	(18)	-	(18)
Capital Outlays	2,889	-	-	545,115	548,004
Total Expenditures	<u>159,583</u>	<u>126</u>	<u>(18)</u>	<u>545,115</u>	<u>704,806</u>
Excess (Deficiency) of Revenues Over (Under) (Expenditures)	<u>(46,738)</u>	<u>62,808</u>	<u>18</u>	<u>(51,751)</u>	<u>(35,663)</u>
Other Financing Sources (Uses)					
Operating Transfers In	61,485	-	-	-	61,485
Operating Transfers (Out)	(12,351)	(65,190)	-	-	(77,541)
Total Other Financing Sources (Uses)	<u>49,134</u>	<u>(65,190)</u>	<u>-</u>	<u>-</u>	<u>(16,056)</u>
Net Change in Fund Balances	<u>2,396</u>	<u>(2,382)</u>	<u>18</u>	<u>(51,751)</u>	<u>(51,719)</u>
Fund Balances, Beginning	<u>10,808</u>	<u>38,641</u>	<u>(18)</u>	<u>50</u>	<u>49,481</u>
Fund Balances, Ending	<u>\$ 13,204</u>	<u>\$ 36,259</u>	<u>\$ -</u>	<u>\$ (51,701)</u>	<u>\$ (2,238)</u>

See accompanying notes and accountant's report.

Village of Tangipahoa
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended June 30, 2009

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total Governmental Funds, Statement E	\$ (51,719)
---	--------------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Expenditures for capital assets	\$ 548,004	
Less:		
Current year depreciation	(10,545)	537,459

Change in Net Assets of Governmental Activities, Statement B	\$ <u>485,740</u>
---	--------------------------

See accompanying notes and accountant's report.

Statement G

Village of Tangipahoa
Statement of Net Assets - Proprietary Funds
As of June 30, 2009

Assets

Current Assets:

Cash and Cash Equivalents	\$ 120,829
Receivables, Net:	
Accounts	31,513
Due From Other Funds	4,106
Inventory	366
Prepaid Insurance	5,834
Total Current Assets	<u>162,648</u>

Restricted Assets:

Restricted Cash and Cash Equivalents	28,112
Total Restricted Assets	<u>28,112</u>

Property, Plant, and Equipment

Property, Plant and Equipment, Net	1,267,437
Total Property, Plant, and Equipment	<u>1,267,437</u>

Total Assets	<u>1,458,197</u>
---------------------	------------------

Liabilities

Current Liabilities (Payable From Current Assets):

Accounts Payable	8,910
Other Accrued Payables	258
Due To Other Funds	-
Total Current Liabilities (Payable From Current Assets)	<u>9,168</u>

Current Liabilities (Payable From Restricted Assets):

Customer Deposits	27,145
Total Current Liabilities (Payable From Restricted Assets)	<u>27,145</u>

Total Liabilities	<u>36,313</u>
--------------------------	---------------

Net Assets

Invested in Capital Assets, Net of Related Debt	1,267,437
Restricted for:	
Capital Projects and Debt Service	967
Unrestricted	153,480
Total Net Assets	<u>\$ 1,421,884</u>

Statement H

Village of Tangipahoa
Statement of Revenues, Expenses, and
Changes in Net Assets - Proprietary Funds
For the year ended June 30, 2009

	Business-Type Activities- Enterprise Funds			Total
	Gas Utility System	Water Utility System	Sewer Utility System	
Operating Revenues				
Gas Sales	\$ 55,911	\$ -	\$ -	\$ 55,911
Less Cost of Gas Sold	(22,664)	-	-	(22,664)
Gross Profit on Gas Sales	33,247	-	-	33,247
Water Sales	-	95,349	-	95,349
Sewer Service Charges	-	-	35,993	35,993
Connection Fees	4,210	-	-	4,210
Delinquent Charges	10,147	68	-	10,215
Federal Grants	-	19,851	-	19,851
State Grants	-	-	38,000	38,000
Other	214	552	1,274	2,040
Total Operating Revenues	47,818	115,820	75,267	238,905
Operating Expenses				
Billing Costs	630	630	630	1,890
Depreciation	2,025	9,394	47,912	59,331
Employee Benefits	945	945	2,124	4,014
Insurance	6,269	6,269	6,269	18,807
Repairs and Maintenance	384	631	11,677	12,692
Professional Fees	9,527	10,826	11,194	31,547
Salaries and Wages	12,001	12,001	20,735	44,737
Supplies	4,623	10,472	5,731	20,826
Utilities	-	16,015	5,613	21,628
Other	15,017	11,798	7,780	34,595
Total Operating Expenses	51,421	78,981	119,665	250,067
Operating Income (Loss)	(3,603)	36,839	(44,398)	(11,162)
Nonoperating Revenues (Expenses)				
Interest				370
Other Nonoperating Expenses				(2,675)
Total Nonoperating Revenues (Expenses)				(2,305)
Income (Loss) Before Transfers				(13,467)
Transfers				
Operating Transfers In				45,741
Operating Transfers Out				(29,685)
Change in Net Assets				2,589
Total Net Assets, Beginning				1,419,295
Total Net Assets, Ending				\$ 1,421,884

Statement I

**Village of Tangipahoa
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2009**

	Enterprise Fund
Cash Flows From Operating Activities	
Received From Customers	\$ 182,891
Received for Meter Deposit Fees	1,813
Other Receipts	74,316
Received for Interfund Services	16,026
Payments for Operations	(165,849)
Payments to Employees	(48,751)
Net Cash Provided (Used) by Operating Activities	<u>60,446</u>
Cash Flows From Noncapital Financing Activities	
Transfers From (To) Other Funds	<u>16,056</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>16,056</u>
Cash Flows From Capital and Related Financing Activities	
(Payments for) Capital Acquisitions	(4,774)
(Payments for) other Nonoperating Activities	(2,675)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(7,449)</u>
Cash Flows From Investing Activities	
Receipt of Interest	<u>369</u>
Net Cash Provided (Used) by Investing Activities	<u>369</u>
Net Cash Increase (Decrease) in Cash and Cash Equivalents	69,422
Cash and Cash Equivalents, Beginning of Year	79,519
Cash and Cash Equivalents, End of Year	<u>\$ 148,941</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets:	
Cash and Cash Equivalents, Unrestricted	\$ 120,829
Cash and Cash Equivalents, Restricted	28,112
Total Cash and Cash Equivalents	<u>\$ 148,941</u>

See accompanying notes and accountant's report.

Village of Tangipahoa
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2009

Statement I

	<u>Enterprise Fund</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	\$ (11,162)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Depreciation	59,331
(Increase) decrease in Accounts Receivable	(4,362)
(Increase) decrease in Inventory	5
(Increase) decrease in Prepaid Insurance	(1,249)
(Increase) decrease in Due (to) and from Other Funds	16,026
Increase (decrease) in Accounts Payable	-
Increase (decrease) in Accrued Expenses	44
Increase (decrease) in Customer Deposits	1,813
Net Cash Provided (Used) by Operating Activities	<u>\$ 60,446</u>

(Concluded)

See accompanying notes and accountant's report.

Basic Financial Statements

Notes to the Financial Statements

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Introduction

The Village of Tangipahoa, Louisiana was incorporated in July 1, 1959 under the provisions of the Lawrason Act. The Village operates under a Mayor/Board of Aldermen form of government, with the Mayor and each of three aldermen elected at large for four-year terms. The Village is located approximately four miles south of Kentwood, Louisiana, on Highway 51 east of Interstate 55. The total population of the Village of Tangipahoa, Louisiana is 747, as reported by the U.S. Census Bureau, Census 2000. The Village provides police protection services, services to maintain or develop streets, drainage, sanitation, support of recreation activities, general and administrative services, and utilities services for area residents. The Village provides water to 313 customers, gas to 56 customers, and sewer utility services to 222 customers. The Village employs five full-time employees and one part time employee in addition to the Mayor and Board of Aldermen.

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the Village is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement No. 14, fiscally independent means that the Village may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. There are no component units which the Village of Tangipahoa has an oversight relationship.

1. Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are presented as separate columns in the fund financial statements.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable, if any, due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village reports the following major governmental funds:

The *General Fund* is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. For the fiscal year ending June 30, 2009, the Village elected to report all special revenue funds, including the *Sales Tax Fund* and the *Summer Feeding Fund* as major governmental funds.

The *Capital Project Fund* accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in other governmental funds.

The Village reports the following major proprietary funds:

The *Enterprise Funds* account for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user fees, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule, if applicable, are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are user charges for the services provided by the enterprise funds. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Deposits and Investments

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Village's investment policy allow the Village to invest in collateralized certificates of deposit, government-backed securities, commercial paper, the state-sponsored investment pool, and mutual funds consisting solely of government-backed securities.

Investments for the Village are reported at fair market value. The state investment pool, LAMP, operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

D. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
General Corporate Purposes	5.54 mills	5.54 mills
Fire Protection	6.01 mills	6.01 mills

Two separate sales and use taxes are levied at one percent, each as described in Footnote "3 – Levied Taxes"

E. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Restricted Assets

Cash held for customer's meter deposits is set aside in separate cash accounts and classified as a restricted asset on the balance sheet.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The village maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	15 - 30 Years
Improvements	20 - 45 Years
Vehicles and equipment	5 - 15 Years
Infrastructure	20 - 45 Years
Gas System	20 - 45 Years
Water System	20 - 45 Years
Sewer System	20 - 45 Years

H. Compensated Absences

The Village has the following policy related to vacation and sick leave:

All regular employees of the Village of Tangipahoa earn one day of sick leave each month. Vacation and sick leave must be used in the year earned.

In accordance with GASB-16, *Accounting for Compensated Absences*, no liability has been accrued for unused employee sick leave.

I. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

J. Comparative Data/Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

K. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the village, which are either unusual in nature or infrequent in occurrence.

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

M. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

2. Stewardship, Compliance and Accountability

The Village uses the following budget practices:

1. The Village Clerk prepares a proposed budget and submits same to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving the increase in expenditures resulting from revenues exceeding estimated amounts require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the general and enterprise funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for enterprise funds are presented on the accrual basis of accounting. Other governmental funds are presented on the modified accrual basis of accounting. Accordingly, the budgetary comparison schedules present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. All budgetary amounts presented reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

There were no funds with variances that would result in unfavorable variances in violation of the Local Government Budget Act, for the fiscal year ended June 30, 2009:

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

3. Levied Taxes

On May 3, 1972, the Village adopted Ordinance 62 authorizing the Village to levy a one cent sales and use tax. The proceeds of this one cent sales and use tax, levied by the Village, are for the purposes of purchasing and or constructing sewers, drains, drainage canals, pumping plants, sewerage disposal works, and all facilities necessary or convenient for the completion and maintenance of an adequate sewerage disposal system. In addition, the proceeds are for the purposes of acquiring necessary property or equipment, or for any one or more of any such purposes, or for any lawful corporate purpose in connection with the acquisition, construction, and or maintenance of such a sewerage system.

On April 10, 1985, the Village adopted Ordinance 1 authorizing the collection of an additional one cent sales tax. Up to fifty percent of the proceeds was restricted for the purpose of establishing the regular collection of garbage and refuse, and acquiring necessary equipment for the maintenance of such garbage systems and the remainder of the proceeds is to be used for the purpose of constructing and improving streets and street lights and acquiring necessary equipment for the maintenance thereof.

On June 13, 2007, the Village adopted a resolution levying an ad valorem tax of 11.55 mills on the assessed valuation of all property subject to taxation within the Village of the year 2008. Of the 11.55 mills levied, 6.01 mills were dedicated to fire protection and 5.54 mills were dedicated to general corporate purposes.

For the year ending June 30, 2009, the Village assessed Entergy, Inc. and Charter Communications, Inc. public utilities franchise taxes totaling \$10,067 for the privilege of providing services to the Village's citizens.

4. Cash and Cash Equivalents

At June 30, 2009, the Village has cash and cash equivalents (book balances) as follows:

	June 30, 2009	June 30, 2008
Demand Deposits	\$ 138,850	\$ 87,606
Time Deposits	-	3,716
Louisiana Asset Management Pool	59,887	59,160
	<u>\$ 198,737</u>	<u>\$ 150,482</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2009, the village has \$144,608 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance. The Village also had excess pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3) in the event bank deposits exceed federal deposit insurance limitations.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the village that the fiscal agent has failed to pay deposited funds upon demand.

5. Investments

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Village or its agent in the Village's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Village's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Village's name

All investments held by the Village fall into category 1 credit risk, defined as "insured or registered, or securities held by the Village or its agent in the Village's name." In accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, all investments are carried at fair market value, with the estimated fair market value based on quoted market prices.

All investments are stated on the balance sheet (carrying value) at market value. All investments are in the name of the Village and are held at the Village's office. Because these investments are in the name of the Village and are held by the Village or the Village's agent, the investments are considered insured and registered, Category (1), in applying the credit risk of GASB Codification Section 150.164.

Interest Rate Risk: The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

In accordance with GASB Codification Section 150.165, the investment in LAMP at June 30, 2009, is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a nonprofit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local government, the Government Finance Office Association of Louisiana, and the Society of Louisiana CPAs. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U. S. Treasury, the U. S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

6. Receivables

The Governmental Fund receivables at June 30, 2009 consist of the following:

Government Receivables	General Fund	Sales Tax Fund	Summer Feeding Fund	Capital Projects Fund (LCDBG)	Total Governmental Funds
Accounts	\$ 1,982	\$ -	\$ -	\$ -	\$ 1,982
Franchise Taxes:					
Public Utility Franchise	1,553	-	-	-	1,553
Intergovernmental:					
Sales and Use Tax	-	2,584	-	-	2,584
State of Louisiana, Beer Tax	1,170	-	-	-	1,170
Louisiana Community Development Block Grant Program				31,109	31,109
Total Government Receivables	\$ 4,705	\$ 2,584	\$ -	\$ 31,109	\$ 38,398

The Enterprise Fund accounts receivable at June 30, 2009 and 2008 consist of the following:

	Year Ended June 30, 2009	Year Ended June 30, 2008
Accounts Receivable		
Current	\$ 16,068	\$ 15,573
31 - 60 Days	8,516	7,279
61 - 90 Days	2,969	3,410
Over 90 Days	7,533	7,239
Subtotal	35,086	33,501
Less Allowance for Bad Debt	(6,218)	(6,218)
Accounts Receivables, Net	28,868	27,283
Accrued Billings	2,645	2,588
Total Accounts Receivable	\$ 31,513	\$ 29,871

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

7. Interfund Receivables/Payables

The following is a detailed list of interfund balances reported in the fund financial statements on June 30, 2009:

Interfund Balances	<u>Due From</u>	<u>Due To</u>
General Fund	<u>Other Funds</u>	<u>Other Funds</u>
Sales Tax Fund	\$ -	\$ -
Summer Feeding Fund	-	-
Enterprise Fund	-	4,106
Special Revenue Funds		
Sales Tax Fund		
General Fund	-	-
Enterprise Fund	-	-
Summer Feeding Fund		
General Fund	-	-
Enterprise Fund		
General Fund	4,106	-
Sales Tax Fund	-	-
Total Interfund Balances	<u>\$ 4,106</u>	<u>\$ 4,106</u>

8. Restricted Assets

Restricted assets for the Enterprise Fund at June 30, 2009 and 2008 were as follows:

	<u>June 30,</u>	<u>June 30,</u>
	<u>2009</u>	<u>2008</u>
Restricted Cash and Cash Equivalents		
Customer Deposits	\$ 28,112	\$ 30,183
Total Restricted Assets	<u>\$ 28,112</u>	<u>\$ 30,183</u>

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

9. Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2009 for governmental activities is as follows:

Governmental Activities Capital Assets:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 400	\$ -	\$ -	\$ 400
Construction in Progress	54,690	545,115	-	599,805
Total Capital Assets Not Being Depreciated	55,090	545,115	-	600,205
Capital Assets Being Depreciated:				
Buildings and Improvements	8,400	1,589	-	9,989
Furniture and Fixtures	1,246	-	-	1,246
Vehicles	55,446	-	-	55,446
Equipment	53,651	1,300	-	54,951
Total Capital Assets Being Depreciated	118,743	2,889	-	121,632
Less Accumulated Depreciation for:				
Buildings and Improvements	6,700	68	-	6,768
Furniture and Fixtures	1,246	-	-	1,246
Vehicles	34,052	7,192	-	41,244
Equipment	39,655	3,285	-	42,940
Total Accumulated Depreciation	81,653	10,545	-	92,198
Total Capital Assets Being Depreciated, Net	37,090	(7,656)	-	29,434
Total Governmental Activities Capital Assets, Net	\$ 92,180	\$ 537,459	\$ -	\$ 629,639
Depreciation was charged to governmental functions as follows:				
General Government			\$	1,105
Public Safety				8,269
Public Works				1,171
			\$	<u>10,545</u>

Construction in progress is for construction of a water well and system improvements. Total construction cost is estimated at \$607,841, with a total of \$599,805 in improvements constructed at fiscal year end. Of the total of \$607,841 in project cost, a total of \$553,700 in funding is provided by a Louisiana Community Development Block Grant (LCDBG), with \$54,141 in improvements to be funded by the Village from other sources. At fiscal year end, final closing of this project and final payment of the \$54,141 by the Village has been delayed pending final inspections on the water well and acceptance by the Village.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

Capital assets and depreciation activity as of and for the year ended June 30, 2009 for business-type activities is as follows:

Business - Type Activities Capital Assets:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	10,046	-	-	10,046
Vehicles and Equipment	70,984	-	-	70,984
Gas Utility System	45,115	-	-	45,115
Water Utility System	454,667	4,774	-	459,441
Sewer Utility System	1,707,723	-	-	1,707,723
Total Capital Assets Being Depreciated	<u>2,288,535</u>	<u>4,774</u>	<u>-</u>	<u>2,293,309</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	9,020	204	-	9,224
Vehicles and Equipment	57,227	3,653	-	60,879
Gas Utility System	30,875	740	-	31,614
Water Utility System	330,698	8,108	-	338,807
Sewer Utility System	538,721	46,626	-	585,348
Total Accumulated Depreciation	<u>966,541</u>	<u>59,331</u>	<u>-</u>	<u>1,025,872</u>
Total Capital Assets Being Depreciated, Net	<u>1,321,994</u>	<u>(54,557)</u>	<u>-</u>	<u>1,267,437</u>
Total Business - Type Activities Capital Assets, Net	<u>\$ 1,321,994</u>	<u>\$ (54,557)</u>	<u>\$ -</u>	<u>\$ 1,267,437</u>

10. Interfund Transfers

The following is a detailed list of interfund transfers reported in the fund financial statements on June 30, 2009:

Interfund Transfers	Transfers In	Transfers Out
General Fund		
Sales Tax Fund	\$ 31,800	\$ 12,351
Enterprise Fund	29,685	-
Special Revenue Funds		
Sales Tax Fund		
General Fund	-	26,227
Enterprise Fund	-	38,963
Enterprise Fund		
General Fund	-	29,685
Sales Tax Fund	45,741	-
Total Interfund Transfers	<u>\$ 107,226</u>	<u>\$ 107,226</u>

The primary reason for the interfund transfers is related to expenditures per the Village's sales tax issue for sewer services, garbage collection, and street lights.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

11. Accounts, Salaries, and Other Payables

The Governmental Fund payables at June 30, 2009 are as follows:

	General Fund	Special Revenue Funds	Capital Projects Fund	Enterprise Fund	Total
Current Payables					
Accounts	\$ 4,062	\$ -	\$ -	\$ 8,910	\$ 12,972
Customer Deposits	-	-	-	27,145	27,145
Payroll Taxes	2,684	-	-	-	2,684
Construction Payable	-	-	31,109	-	31,109
Retainage Payable	-	-	51,751	-	51,751
Other	14	-	-	258	272
Total Current Payables	\$ 6,760	\$ -	\$ 82,860	\$ 36,313	\$ 125,933

12. Intergovernmental Cooperative Agreement

On December 12, 1984, the Village entered into an agreement with the Tangipahoa Parish Council to allow the Parish Housing Choice Voucher Program to operate within its corporate limits. The U.S. Department of Housing and Urban Development (HUD) allows these programs to operate within communities without such programs. The Village has attempted to find such assistance through federal and state rental subsidy programs, but has been turned down for such assistance because of its small size.

13. Sanitation Contract

The Village contracts with Waste Management Inc. for the pickup and disposal of solid waste. Sales tax in the amount of one half of one percent is dedicated to pay for the cost of this contract.

14. Reserved and Designated Fund Balances/Net Assets

At June 30, 2009, the sales tax fund recorded a reserved fund balance of \$36,259, with \$11,761 reserved for sewer services and improvements, \$15, 638 for the costs of garbage collection and \$8,860 for street repairs, maintenance, and improvements.

At June 30, 2009, the proprietary fund had restricted net assets of \$967, representing the Village's funds restricted for customers for meter deposits, net of the related liability.

15. Risk Management

The Village is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The Village purchases commercial insurance policies and bonds for any and all claims related to the aforementioned risks. The Village's payment of the insurance policy deductible is the only liability associated with these policies and bonds. There has been no significant decrease in insurance coverage from the prior year, and the amount of settlements has not exceeded the insurance coverage for the past three fiscal years.

Village of Tangipahoa
Notes to the Financial Statements
As of and for the Year Ended June 30, 2009

16. Contingent Liabilities

At June 30, 2009, the Village was not involved in any outstanding litigation or claims.

There is a contingent liability for the Village of \$54,141, not recorded at fiscal year end, pending final acceptance of a water well as noted in Footnote "17. Subsequent Events".

17. Subsequent Events

At June 30, 2009, the Village recorded \$599,805 of the total construction costs of \$607,841 for a new water well and system improvements. Of the total of \$607,841 in project cost, a total of \$553,700 in funding is provided by a Louisiana Community Development Block Grant (LCDBG), with \$54,141 in improvements to be funded by the Village from other sources. At fiscal year end, final closing of this project and final payment of the \$54,141 by the Village has been delayed pending final inspections on the water well and acceptance by the Village.

Required Supplemental Information (Part II)

Schedule 1

Village of Tangipahoa
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 General Fund - Detail
 For the year ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final	GAAP Basis	Favorable (Unfavorable)
EXPENDITURES				
General Government				
Salaries	6,800	6,850	6,850	-
Benefits	-	-	-	-
Payroll Taxes	2,200	3,900	3,378	522
General and Administrative	6,500	6,100	5,845	255
Insurance	7,700	7,500	7,659	(159)
Other operating	6,100	6,850	4,772	2,078
Professional Fees	1,000	1,500	-	1,500
Repairs and Maintenance	700	700	-	700
Supplies	-	-	645	(645)
Telephone	6,500	7,200	6,786	414
Utilities	3,200	4,100	3,642	458
Total General Government	40,700	44,700	39,577	5,123
Public Safety:				
Police				
Salaries	46,200	40,400	41,518	(1,118)
Payroll Taxes	3,400	3,800	3,126	674
General and Administrative	-	-	546	(546)
Insurance	4,800	4,800	1,361	3,439
Vehicle Expenses	8,800	7,800	7,101	699
Other operating	1,100	2,200	1,120	1,080
Professional Fees	-	-	500	(500)
Repairs and Maintenance	1,000	1,000	127	873
Telephone	2,100	2,100	2,238	(138)
Total Police	67,400	62,100	57,637	4,463
Fire				
Other operating	4,300	4,300	-	4,300
Total Fire	4,300	4,300	-	4,300
Total Public Safety	71,700	66,400	57,637	8,763

Continued

Schedule 1

Village of Tangipahoa
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund - Detail
For the year ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	<u>Favorable (Unfavorable)</u>
Public Works				
Salaries	5,600	7,600	7,690	(90)
Payroll Taxes	400	600	588	12
General and Administrative	500	500	-	500
Vehicle Expenses	-	-	-	-
Other operating	36,700	39,900	37,948	1,952
Repairs and Maintenance	500	500	-	500
Utilities	7,100	13,500	13,254	246
Total Public Works	<u>50,800</u>	<u>62,600</u>	<u>59,480</u>	<u>3,120</u>
Capital Outlays	<u>2,000</u>	<u>9,860</u>	<u>2,889</u>	<u>6,971</u>
Total Expenditures	<u>165,200</u>	<u>183,560</u>	<u>159,583</u>	<u>23,977</u>
Excess Revenues (Expenditures)	<u>(53,600)</u>	<u>(75,900)</u>	<u>(46,738)</u>	<u>29,162</u>
Other Financing Sources (Uses)				
Operating Transfers In	50,600	61,485	61,485	-
Operating Transfers (Out)	-	-	(12,351)	(12,351)
Total Other Financing Sources (Uses)	<u>50,600</u>	<u>61,485</u>	<u>49,134</u>	<u>(12,351)</u>
Net Change in Fund Balances	<u>(3,000)</u>	<u>(14,415)</u>	<u>2,396</u>	<u>16,811</u>
Fund Balances, Beginning	<u>10,808</u>	<u>10,808</u>	<u>10,808</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 7,808</u>	<u>\$ (3,607)</u>	<u>\$ 13,204</u>	<u>\$ 16,811</u>

Concluded
See accountant's report.

Schedule 1

Village of Tangipahoa
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 General Fund - Detail
 For the year ended June 30, 2009

	Budgeted Amounts		Actual Amounts GAAP Basis	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes				
Ad Valorem	\$ 10,200	\$ 12,100	\$ 12,497	\$ 397
Franchise Taxes	10,100	11,000	10,067	(933)
Total Taxes	<u>20,300</u>	<u>23,100</u>	<u>22,564</u>	<u>(536)</u>
Licenses and Permits				
Licenses	34,000	32,600	39,878	7,278
Permits	2,200	3,200	2,974	(226)
Total Licenses and Permits	<u>36,200</u>	<u>35,800</u>	<u>42,852</u>	<u>7,052</u>
Intergovernmental				
State Grants	-	4,860	-	(4,860)
Louisiana Beer Tax Distribution	2,100	3,900	4,289	389
Total Intergovernmental	<u>2,100</u>	<u>8,760</u>	<u>4,289</u>	<u>(4,471)</u>
Miscellaneous Revenues				
Charges for Services	42,800	32,100	32,246	146
Fines and Foreitures	7,200	7,000	8,567	1,567
Miscellaneous	3,000	900	2,327	1,427
Total Miscellaneous Revenues	<u>53,000</u>	<u>40,000</u>	<u>43,140</u>	<u>3,140</u>
Total Revenues	<u>111,600</u>	<u>107,660</u>	<u>112,845</u>	<u>5,185</u>

Continued

Schedule 2

Village of Tangipahoa
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Special Revenue Fund - Sales Tax Fund
 For the year ended June 30, 2009

	Budgeted Amounts		Actual Amounts GAAP Basis	Variance Favorable (Unfavorable)
	Original	Final		
Revenues				
Sales Taxes	\$ 65,000	\$ 65,000	\$ 62,559	\$ (2,441)
Interest	1,200	400	375	(25)
Total Revenues	<u>66,200</u>	<u>65,400</u>	<u>62,934</u>	<u>(2,466)</u>
Expenditures				
Sanitation				
General and Administrative	-	127	126	1
Total Expenditures	<u>-</u>	<u>127</u>	<u>126</u>	<u>1</u>
Excess Revenues (Expenditures)	<u>66,200</u>	<u>65,273</u>	<u>62,808</u>	<u>(2,465)</u>
Other Financing Sources (Uses)				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	(47,600)	(74,400)	(65,190)	9,210
Total Other Financing Sources (Uses)	<u>(47,600)</u>	<u>(74,400)</u>	<u>(65,190)</u>	<u>9,210</u>
Net Change in Fund Balances	<u>18,600</u>	<u>(9,127)</u>	<u>(2,382)</u>	<u>6,745</u>
Fund Balances, Beginning	<u>38,641</u>	<u>38,641</u>	<u>38,641</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 57,241</u>	<u>\$ 29,514</u>	<u>\$ 36,259</u>	<u>\$ 6,745</u>

See accountant's report.

Schedule 3

Village of Tangipahoa
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue Fund - Summer Food Program
For the year ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP Basis</u>	<u>Favorable (Unfavorable)</u>
Revenues				
State Grant - Summer Food Service	\$ 18,000	\$ -	\$ -	\$ -
Total Revenues	<u>18,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Health and Welfare				
Salaries	6,600	-	-	-
Payroll Taxes	800	-	-	-
Other operating	5,500	-	(18)	18
Rent	2,800	-	-	-
Utilities	500	-	-	-
Total Expenditures	<u>16,200</u>	<u>-</u>	<u>(18)</u>	<u>18</u>
Excess Revenues (Expenditures)	<u>1,800</u>	<u>-</u>	<u>18</u>	<u>18</u>
Other Financing Sources (Uses)				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>1,800</u>	<u>-</u>	<u>18</u>	<u>18</u>
Fund Balances, Beginning	<u>(18)</u>	<u>(18)</u>	<u>(18)</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,782</u>	<u>\$ (18)</u>	<u>\$ -</u>	<u>\$ 18</u>

See accountant's report.

Village of Tangipahoa
 Schedule of Federal Grant Awards
 For the year ended June 30, 2009

	<u>CFDA Number</u>	<u>Grant ID Number</u>	<u>Expenditures</u>
Federal Grants:			
<u>United States Department of</u>			
<u>Housing & Urban Development</u>			
State of Louisiana			
Division of Administration			
Office of Community Development			
Louisiana Community Development			
Block Grant	<u>14:219</u>	<u>656078</u>	<u>\$ 553,700</u>

Village of Tangipahoa
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2009

Section I – Summary of auditor's Results

Financial Statement Audit

A. Type of Report Issued On Financial Statements.

An unqualified opinion was issued on financial statements for the Village of Tangipahoa, Louisiana.

B. Material Weaknesses Identified.

No. There were no significant deficiencies reported as material weaknesses that are required to be disclosed by *Government Auditing Standards*.

C. Noncompliance Material to the Financial Statements.

No. There were no instances of noncompliance considered material, as required to be reported under *Government Auditing Standards*.

Audit of Federal Awards

A. Internal Control over Major Programs.

1. Material weaknesses.

No. Material weaknesses were not identified for the major program.

2. Significant Deficiencies Identified that are not Considered to Material Weaknesses.

No. No significant deficiencies were reported for federal programs.

B. Type of Auditor's report Issued for Major Programs.

Unqualified. An unqualified opinion was issued on compliance for major program.

Village of Tangipahoa
Schedule of Findings and Questioned Costs
For Year Ended June 30, 2009

C. Disclosure of Audit Findings Required to be Reported under Section 510(a) of OMB Circular A-133.

There were no findings to be reported under *Section 510(a) of OMB Circular A-133*.

D. Identification of Major Programs.

The Major Program for Village of Tangipahoa, Louisiana was CFDA No. 14:219 (Louisiana Community Development Block Grant)

E. Dollar Threshold to Distinguish Between Type "A" and Type "B" programs.

Expenditures of \$500,000.

F. Statement as to whether the Auditee qualified as Low-Risk Auditee.

No.

Section II – Financial Statements Findings (Reported in Accordance with Government Auditing Standards.

There were one finding required to be reported in accordance with *Government Auditing Standards* for the year ended June 30, 2009.

Reference Number: 2009-1

The Village of Tangipahoa did not comply with Revised Statutes 24: 513, that requires that financial statements be filed with the Legislator Auditor's Office within sixty days of the close of the fiscal year.

Corrective Action Planned (Response by Management):

The filing of the financial statement late was not the fault of the Village. The reason the financial statements were late was due to death of member of the CPA firm. The report will be filed on a timely basis in the future.

Section III – Federal Award Findings and Questioned Costs.

There were no federal findings or questioned costs reported during audit for the year ended June 30, 2009.

Other Supplemental Information

Village of Tangipahoa
Comparative Schedule of Net Assets
Proprietary Fund Type
As of June 30, 2009 and 2008

	Enterprise Funds	
	2009	2008
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 120,829	\$ 49,336
Receivables, Net :		
Accounts	31,513	27,150
Due From Other Governments	4,106	39,559
Inventory	366	371
Prepaid Insurance	5,834	4,585
Total Current Assets	<u>162,648</u>	<u>121,001</u>
Restricted Assets:		
Restricted Cash and Cash Equivalents	28,112	30,183
Total Restricted Assets	<u>28,112</u>	<u>30,183</u>
Property, Plant, and Equipment		
Property, Plant and Equipment, Net	1,267,437	1,321,994
Total Property, Plant, and Equipment	<u>1,267,437</u>	<u>1,321,994</u>
Total Assets	<u>1,458,197</u>	<u>1,473,178</u>
Liabilities		
Current Liabilities (Payable From Current Assets):		
Accounts Payable	8,910	8,910
Other Accrued Payables	258	214
Due To Other Governments	-	19,427
Total Current Liabilities (Payable From Current Assets)	<u>9,168</u>	<u>28,551</u>
Current Liabilities (Payable From Restricted Assets):		
Customer Deposits	27,145	25,332
Total Current Liabilities (Payable From Restricted Assets)	<u>27,145</u>	<u>25,332</u>
Total Liabilities	<u>36,313</u>	<u>53,883</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt	1,267,437	1,321,994
Restricted for:		
Capital Projects and Debt Service	967	4,851
Unrestricted	153,480	92,450
Total Net Assets	<u>\$ 1,421,884</u>	<u>\$ 1,419,295</u>

See accountant's report.

Village of Tangipahoa
Comparative Schedule of Revenues, Expenses, and Changes in Net Assets
Proprietary Fund Type
For the years ended June 30, 2009 and 2008

	Enterprise Funds	
	2009	2008
Operating Revenues		
Gas Sales	\$ 55,911	\$ 45,225
Less Cost of Gas Sold	(22,664)	(27,463)
Gross Profit on Gas Sales	33,247	17,762
Water Sales	95,349	88,009
Sewer Service Charges	35,993	36,227
Connection Fees	4,210	3,829
Delinquent Charges	10,215	8,697
Grants	57,851	9,000
Other	2,040	1,937
Total Operating Revenues	238,905	165,461
Operating Expenses		
Billing Costs	1,890	3,114
Depreciation	59,331	61,296
Employee Benefits	4,014	3,587
Insurance	18,807	13,287
Professional Fees	31,547	32,813
Repairs and Maintenance	12,692	4,014
Salaries and Wages	44,737	46,904
Supplies	20,826	25,753
Utilities	21,628	17,895
Other	34,595	57,084
Total Operating Expenses	250,067	265,747
Operating Income (Loss)	(11,162)	(100,286)
Nonoperating Revenues (Expenses)		
Realized Gain on Sale of Capital Assets	-	893
Interest Income	370	1,317
Other Expense	(2,675)	-
Total Nonoperating Revenues (Expenses)	(2,305)	2,210
Income (Loss) Before Contributions	(13,467)	(98,076)
Transfers		
Operating Transfers In	45,741	55,573
Operating Transfers Out	(29,685)	(43,698)
Total Transfers	16,056	11,875
Change in Net Assets	2,589	(86,201)
Total Net Assets, Beginning	1,419,295	1,505,496
Total Net Assets, Ending	\$ 1,421,884	\$ 1,419,295

See accountant's report.

Village of Tangipahoa
Comparative Schedule of Cash Flows
Proprietary Fund Type
For the year ended June 30, 2009

	Enterprise Funds	
	2009	2008
Cash Flows From Operating Activities		
Received From Customers	\$ 182,891	\$ 162,365
Received for Meter Deposit Fees	1,813	1,297
Other Receipts (Payments)	74,316	23,463
Received for Interfund Services	16,026	(3,060)
Payments for Operations	(165,849)	(179,423)
Payments to Employees	(48,751)	(50,491)
Net Cash Provided (Used) by Operating Activities	<u>60,446</u>	<u>(45,849)</u>
Cash Flows From Noncapital Financing Activities		
Transfers From (To) Other Funds	<u>16,056</u>	<u>11,875</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>16,056</u>	<u>11,875</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds from sale of Capital Acquisitions	-	1,395
(Payments for) Capital Acquisitions	(4,774)	(9,295)
(Payments for) other Nonoperating Activities	<u>(2,675)</u>	<u>-</u>
Net Cash (Used) by Capital and Related Financing Activities	<u>(7,449)</u>	<u>(7,900)</u>
Cash Flows From Investing Activities		
Receipt of Interest	<u>369</u>	<u>1,315</u>
Net Cash Provided by Investing Activities	<u>369</u>	<u>1,315</u>
Net Cash Increase (Decrease) in Cash and Cash Equivalents	69,422	(40,559)
Cash and Cash Equivalents, Beginning of Year	79,519	120,078
Cash and Cash Equivalents, End of Year	<u>\$ 148,941</u>	<u>\$ 79,519</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets:		
Cash and Cash Equivalents, Unrestricted	\$ 120,829	\$ 49,336
Cash and Cash Equivalents, Restricted	<u>28,112</u>	<u>30,183</u>
Total Cash and Cash Equivalents	<u>\$ 148,941</u>	<u>\$ 79,519</u>

(Continued)

Village of Tangipahoa
Comparative Schedule of Cash Flows
Proprietary Fund Type
For the year ended June 30, 2009

	Enterprise Funds	
	<u>6/30/09</u>	<u>6/30/08</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ (11,162)	\$ (100,286)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	59,331	61,296
(Increase) decrease in Accounts Receivable	(4,362)	(7,096)
(Increase) decrease in Inventory	5	(371)
(Increase) decrease in Prepaid Insurance	(1,249)	(2,992)
(Increase) decrease in Due (to) and from Other Funds	16,026	(3,060)
Increase (decrease) in Accounts Payable	-	5,310
Increase (decrease) in Accrued Expenses	44	53
Increase (decrease) in Customer Deposits	1,813	1,297
Net Cash Provided (Used) by Operating Activities	<u>\$ 60,446</u>	<u>\$ (45,849)</u>

(Concluded)

Village of Tangipahoa
Schedule of Revenues, Expenses and Changes in Net Assets
Budget (GAAP Basis) and Actual, Proprietary Fund Type, Gas Utility System
For the year ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>2008 Actual</u>
Operating Revenues				
Gas Sales	\$ 56,500	\$ 55,911	\$ (589)	\$ 45,225
Less Cost of Gas Sold	<u>(24,400)</u>	<u>(22,664)</u>	<u>1,736</u>	<u>(27,463)</u>
Gross Profit on Gas Sales	32,100	33,247	1,147	17,762
Connection Fees	-	4,210	4,210	3,829
Delinquent Charges	10,100	10,147	47	2,348
Other	<u>6,500</u>	<u>214</u>	<u>(6,286)</u>	<u>1,927</u>
Total Operating Revenues	<u>48,700</u>	<u>47,818</u>	<u>(882)</u>	<u>25,866</u>
Operating Expenses				
Billing Costs	700	630	70	1,038
Depreciation	2,500	2,025	475	2,177
Employee Benefits	900	945	(45)	750
Insurance	7,800	6,269	1,531	4,270
Professional Fees	10,600	9,527	1,073	7,771
Repairs and Maintenance	-	384	(384)	120
Salaries and Wages	12,000	12,001	(1)	9,808
Supplies	5,100	4,623	477	5,912
Other	<u>14,100</u>	<u>15,017</u>	<u>(917)</u>	<u>17,107</u>
Total Operating Expenses	<u>53,700</u>	<u>51,421</u>	<u>2,279</u>	<u>48,953</u>
Operating Income (Loss)	<u>(5,000)</u>	<u>(3,603)</u>	<u>1,397</u>	<u>(23,087)</u>
Nonoperating Revenues (Expenses)				
Realized Gain on Sale of Capital Assets	-	-	-	893
Interest Income	400	370	(30)	1,317
Interest Expense	-	-	-	-
Other Expense	<u>-</u>	<u>(345)</u>	<u>(345)</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>400</u>	<u>25</u>	<u>(375)</u>	<u>2,210</u>
Income (Loss) Before Transfers	<u>(4,600)</u>	<u>(3,578)</u>	<u>1,022</u>	<u>(20,877)</u>
Transfers				
Operating Transfers In	32,600	15,708	(16,892)	37,893
Operating Transfers Out	<u>(37,000)</u>	<u>(29,685)</u>	<u>7,315</u>	<u>(43,698)</u>
Change in Net Assets	<u>\$ (9,000)</u>	<u>\$ (17,555)</u>	<u>\$ (8,555)</u>	<u>\$ (26,682)</u>

Village of Tangipahoa
Schedule of Revenues, Expenses and Changes in Net Assets
Budget (GAAP Basis) and Actual, Proprietary Fund Type, Water Utility System
For the year ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>2008 Actual</u>
Operating Revenues				
Water Sales	\$ 94,100	\$ 95,349	\$ 1,249	\$ 88,009
Connection Fees	-	-	-	-
Delinquent Charges	-	68	68	4,522
Federal Grants	-	19,851	19,851	-
Other	-	552	552	-
Total Operating Revenues	<u>94,100</u>	<u>115,820</u>	<u>21,720</u>	<u>92,531</u>
Operating Expenses				
Billing Costs	700	630	70	1,038
Depreciation	12,000	9,394	2,606	11,054
Employee Benefits	900	945	(45)	750
Insurance	7,800	6,269	1,531	4,270
Professional Fees	11,000	10,826	174	7,771
Repairs and Maintenance	-	631	(631)	3,774
Salaries and Wages	12,000	12,001	(1)	9,808
Supplies	14,900	10,472	4,428	9,424
Utilities	12,400	16,015	(3,615)	-
Other	15,800	11,798	4,002	16,344
Total Operating Expenses	<u>87,500</u>	<u>78,981</u>	<u>8,519</u>	<u>64,233</u>
Operating Income (Loss)	<u>6,600</u>	<u>36,839</u>	<u>30,239</u>	<u>28,298</u>
Nonoperating Revenues (Expenses)				
Interest Income	-	-	-	-
Interest Expense	-	-	-	-
Other Expense	-	(907)	(907)	-
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>(907)</u>	<u>(907)</u>	<u>-</u>
Income (Loss) Before Transfers	<u>6,600</u>	<u>35,932</u>	<u>29,332</u>	<u>28,298</u>
Transfers				
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
Change in Net Assets	<u>\$ 6,600</u>	<u>\$ 35,932</u>	<u>\$ 29,332</u>	<u>\$ 28,298</u>

See accountant's report.

Village of Tangipahoa
Schedule of Revenues, Expenses and Changes in Net Assets
Budget (GAAP Basis) and Actual, Proprietary Fund Type, Sewer Utility System
For the year ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>2008 Actual</u>
Operating Revenues				
Sewer Charges	\$ 36,000	\$ 35,993	\$ (7)	\$ 36,227
Connection Fees	-	-	-	-
Delinquent Charges	-	-	-	1,827
State Grants	57,851	38,000	(19,851)	
Other	-	1,274	1,274	-
Total Operating Revenues	<u>93,851</u>	<u>75,267</u>	<u>(18,584)</u>	<u>38,054</u>
Operating Expenses				
Billing Costs	700	630	70	1,038
Depreciation	48,000	47,912	88	48,065
Employee Benefits	2,000	2,124	(124)	2,087
Insurance	7,800	6,269	1,531	4,747
Professional Fees	10,400	11,194	(794)	17,271
Repairs and Maintenance	-	11,677	(11,677)	120
Salaries and Wages	26,300	20,735	5,565	27,288
Supplies	16,800	5,731	11,069	10,417
Utilities	5,800	5,613	187	6,053
Other	14,500	7,780	6,720	23,633
Total Operating Expenses	<u>132,300</u>	<u>119,665</u>	<u>12,635</u>	<u>140,719</u>
Operating Income (Loss)	<u>(38,449)</u>	<u>(44,398)</u>	<u>(5,949)</u>	<u>(102,665)</u>
Nonoperating Revenues (Expenses)				
Interest Income	-	-	-	-
Interest Expense	-	-	-	-
Other Expense	-	(1,423)	(1,423)	-
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>(1,423)</u>	<u>(1,423)</u>	<u>-</u>
Income (Loss) Before Transfers	<u>(38,449)</u>	<u>(45,821)</u>	<u>(7,372)</u>	<u>(102,665)</u>
Transfers				
Operating Transfers In	-	30,033	30,033	17,680
Operating Transfers Out	-	-	-	-
Change in Net Assets	<u>\$ (38,449)</u>	<u>\$ (15,788)</u>	<u>\$ 22,661</u>	<u>\$ (84,985)</u>

See accountant's report.

Village of Tangipahoa
Comparative Schedule of Gas Sales and Purchases
Proprietary Fund Type
For the year ended June 30, 2009

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Gas Sales						
Volume (MCF)	2,201	2,302	2,440	2,123	2,614	3,093
Amount (Dollars)	\$ 55,911	\$ 45,225	\$ 49,290	\$ 41,193	\$ 37,296	\$ 32,598
Gas Purchases						
Volume (MCF)	2,861	3,218	3,265	3,172	3,353	3,855
Amount (Dollars)	<u>22,664</u>	<u>27,463</u>	<u>27,222</u>	<u>37,436</u>	<u>25,139</u>	<u>25,181</u>
Gross Profit (Loss) on Gas Sales	\$ 33,247	\$ 17,762	\$ 22,068	\$ 3,757	\$ 12,157	\$ 7,417
Gross Profit (Loss) Percent on Sales	59%	39%	45%	9%	33%	23%
Unaccounted for Gas Purchases						
Volume (MCF)	660	916	825	1,049	739	762
Cost to Village	\$ 5,228	\$ 7,817	\$ 6,878	\$ 12,380	\$ 5,541	\$ 4,977
Percent of Purchases	23%	28%	25%	33%	22%	20%
Meters in Service	57	58	59	55	56	60
Average Sales Per Customer						
Volume (MCF)	39	40	41	39	47	52
Dollar Amount	\$ 981	\$ 780	\$ 835	\$ 749	\$ 666	\$ 543
Dollars Per MCF						
Gas Sales	\$ 25.40	\$ 19.65	\$ 20.20	\$ 19.40	\$ 14.27	\$ 10.54
Gas Purchases	(7.92)	(8.53)	(8.34)	(11.80)	(7.50)	(6.53)
Unaccounted for Gas Purchases	<u>(1.83)</u>	<u>(2.43)</u>	<u>(2.11)</u>	<u>(3.90)</u>	<u>(1.65)</u>	<u>(1.29)</u>
Gross Profit	<u>\$ 15.65</u>	<u>\$ 8.69</u>	<u>\$ 9.75</u>	<u>\$ 3.70</u>	<u>\$ 5.12</u>	<u>\$ 2.72</u>

**Village of Tangipahoa
Utility Rate Schedule
Proprietary Fund Type
For the year ended June 30, 2009**

Gas

\$ 14.500	-	Flat Fee for First 500 MCF
\$ 0.0260		Per MCF over 500

Water

\$ 24.00	-	Flat Monthly Fee
----------	---	------------------

Sewer

\$ 13.50	-	Flat Monthly Fee
----------	---	------------------

Garbage

\$ 10.00	-	Flat Monthly Fee
----------	---	------------------

**Schedule of Number of Customers
Proprietary Fund Type
For the year ended June 30, 2009**

Gas	56
Water	313
Sewer	222
Garbage	270
Total	861

Village of Tangipahoa
Schedule of Compensation Paid to Board Members
For the year ended June 30, 2009

<u>Name and Title / Contact Number</u>	<u>Address</u>	<u>Term Expires</u>	<u>Compensation Received</u>
Michael Jackson, Mayor (985) 981-3294	P.O. Box 156 Tangipahoa, LA 70465	12/31/2012	\$ 1,500
James, Fultz, Mayor (985) 229-6663	P.O. Box 156 Tangipahoa, LA 70465	12/31/2008	1,750
Eddie Myers, Mayor Pro-Tem (985) 229-2692	P.O. Box 128 Tangipahoa, LA 70465	12/31/2012	1,200
Mary McLeary Downs, Alderwoman (985) 229-5327	P.O. Box 14 Tangipahoa, LA 70465	12/31/2012	1,200
Brenda V. Nevels, Alderwoman (985) 229-2422	P.O. Box 133 Tangipahoa, LA 70465	12/31/2008	600
Dawn Gray (985) 747-0832	P.O. Box 410 Tangipahoa, LA 70465	12/31/2012	600
Richard F. Banks, Police Chief	P.O. Box 131 Tangipahoa, LA 70465	12/31/2012	16,800
			<u>\$ 23,650</u>

REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

WILLIAM R. DURDEN

Certified Public Accountant

Limited Liability Company

820 11TH AVENUE
FRANKLINTON, LOUISIANA 70438
(985) 839-4413
FAX (985) 839-4402

MEMBER
A.I.C.P.A.

MEMBER
L.C.P.A.

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor, Michael Jackson
and the Board of Aldermen
Village of Tangipahoa, Louisiana

I have audited the basic financial statements of the governmental activities , the business-type activities and major fund of the Village of Tangipahoa, Louisiana, as of and for the year ended June 30, 2009, and have issued my report thereon dated January 19, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Village of Tangipahoa, Louisiana's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, which noncompliance with could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my test disclosed one instances of noncompliance that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of finding and question cost as items number 2009-1.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Village of Tangipahoa, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on effectiveness of the Village of Tangipahoa, Louisiana as of June 30, 2009 internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Village of Tangipahoa, Louisiana June 30, 2009 internal control over financial statements.

WILLIAM R. DURDEN

Certified Public Accountant

820 11TH AVENUE
FRANKLINTON, LOUISIANA 70438
(985)839-4413
FAX (985)839-4402

MEMBER
A.I.C.P.A.

MEMBER
L.C.P.A.

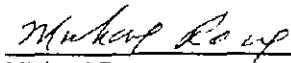
Page 2

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the Village of Tangipahoa, Louisiana June 30, 2009 ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Village of Tangipahoa, Louisiana June 30, 2009 financial statements that is more than inconsequential will not be prevented or detected by the Village of Tangipahoa June 30, 2009 internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Village of Tangipahoa, Louisiana June 30, 2009 internal control.

My consideration of internal control over financial reporting was limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the Mayor and Board of Aldermen of the Village of Tangipahoa, Louisiana, the State of Louisiana Legislative Auditor, and the Federal Cognizant Agent. However, this report is a matter of public record, and its distribution is not limited.



Michael Roux
Certified Public Accountant

January 19, 2010

Summary Schedule of Prior Year Audit Findings

Village of Tangipahoa
Schedule of Prior Year Finding
For Year Ended June 30, 2009

Reference Number – 2008-1

Description of Finding:

The Village did not comply with local Government Budget Act (LRS-RS 39:1301-1315). The Summer Feeding Program had unfavorable variance.

Correction Action Taken:

The Village was in compliance with the local Government Budget Act. All the Funds Budget were amended and all the Budget was in compliance variance of the budget act which a 5% variance.

Reference Number – 2008-2

The Village of Tangipahoa's Proprietary Fund (Utility Fund) had a net operating loss (\$100,286) for the year ended June 30, 2008. For the past three years, The Village had a substantial operating loss.

Correction Action Taken:

The Village did increase the rate in 2008 and in 2009. The Village of Tangipahoa's Proprietary Fund (Utility Fund) had a operating loss (\$11,162) for the year ended June 30, 2009. This is a substantial improve over prior year. Apparently, the Village is in a better position to eventually to report a profit in the Utility Fund.

**Schedule of Current Year Findings
And
Management's Corrective Action Plan**

Village of Tangipahoa
Schedule of Current Year Finding
For Year Ended June 30, 2009

Reference Number: 2009-1

Description of Finding:

The Village of Tangipahoa did not comply with Revised Statutes 24: 513, that requires that financial statements be filed with the Legislator Auditor's Office within sixty days of the close of the fiscal year.

Corrective Action Planned (Response by Management):

The filing of the financial statement late was not the fault of the Village. The reason the financial statements were late was due to death of member of the CPA firm. The report will be filed on a timely basis in the future.